(e) The loss, if any, to the banks on account of such strike cannot be quantified.

Impact of price hike on Wholesale Price Index

†1399. SHRI RAVI SHANKAR PRASAD:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn towards the statement of the member of Planning Commission and Chairman of Committee on Review of Wholesale Price Index, that with the increase in prices of petroleum products in the first week of September, 2005, there will be increase in inflation on the basis of 1.5 per cent Wholesale Price Index;

(b) if so, Government's reaction thereto; and

(c) the effect of the above price hike on the Wholesale Price Index on the basis of the estimation made by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to (c) According to the information available, the Member, Planning Commission had felt that the increase in the prices of mineral oils in the WPI basket between July, 2004 to September, 2005 would have an impact on the wholesale price index. This impact would be partly determined by the weight of mineral oils in the WPI basket. The WPI (Base 1993-94 =100) was 186.0 on week ending July 3, 2004 and 188.9 on week ending October 1,2005 which represents an increase of 1.56 per cent.

Merger of banks

1400. SHRI A. VIJAYARAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether there is any direction/proposal to be followed for merger of banks;

(b) if so, the details thereof;

---

†Original notice of the question was received in Hindi.

(c) whether Reserve Bank of India was approached for merger of Federal Bank and Lord Krishna Bank;

(d) if so, the details including the decision taken/to be taken on the above proposal; and

(e) the details of proposals if any and decision taken/to be taken for the merger of PSU banks till date, category-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) and (b) Reserve Bank of India has issued guidelines on merger and amalgamation between private sector banks and of NBFCs with private sector banks on 11th May, 2005 which are available on RBI website *www.rbi.org.in.*

(c) and (d) RBI has not received any application for voluntary merger under Section 44Aof Banking regulation Act, 1949 for merger of Federal Bank and Lord Krishna Bank.

(e) No proposal has, so far, been received for merger of public sector banks.

Housing loans to persons below poverty line

†1401. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of FINANCE be pleased to state;

(a) whether Government have formulated any outlines of a special scheme for providing loans for housing to the people living below poverty line;

(b) if so, the details thereof and the details of the loan disbursed to poor people by the banks during the last three years till date;

(c) if not, the reasons therefor and Government's reaction thereto; and

(d) the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to (d) No, Sir. However, the Indira Awas Yojana and Credit-cum-Subsidy Scheme (CCSS) for Rural Housing provide for grants-in-aid for construction of dwelling units to members of

†Original notice of the question was received in Hindi.